Workshop on Tasks 2 and 3

Sponsored by The Interagency Forestry Working Group

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Remarks by:

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Good morning! My name is Jim Peña and I am a Deputy Regional Forester for the Pacific Southwest Region. I would like to thank the Interagency Forestry Working Group for inviting the Forest Service to participate in this workshop to discuss Tasks 2 and 3 of the IF\VG work plan.

I'd like to focus my remarks on Task 3 this morning because I believe there is little debate that California forests will be able to continue to meet the 5 *mmt* annual target for net carbon sequestration. We are working with CalFire and others to provide the details to support that conclusion.

I would like to compliment the State of California for emphasizing renewable energy as a cornerstone for its' climate mitigation program. As you know, our future forests will be a major provider of carbon storage in California and elsewhere. In addition, forests are increasingly being seen as a potential source of feedstock for renewable energy development. The Forest Service believes' there is great potential for linking the state's goal for increasing renewable energy with our need to reduce woody fuels from national forests. It's clear that increased fuel accumulations are contributing

to deteriorating forest health conditions on much of our national forests. Unhealthy forests are more susceptible to stand-replacing fire, degraded water quality and other undesirable impacts. We think there will be great value in making much of the fuel we remove from national forests available for renewable energy purposes.

Recent peer-reviewed work by our forest managers and scientists have indicated that, unless we change the way we manage, national forests in California will become net emitters of carbon by the end of the century. Our work indicates that national forest carbon sinks will become unstable and unsustainable under current management. For the next 4-6 decades, under a "Current Management" trajectory, we project the national forests will accumulate carbon at a higher rate than it will be lost through disturbances such as wildfire, pest mortality and intertree competition. However, at some point in the mid-21st century, losses from wildfire, disease and other disturbances will exceed growth. We believe that increasing the pace and scale of fuels reduction work on the national forests will reverse this trend while providing an important source of biomass feedstock for California's renewable energy program.

Our Regional Forester, Randy Moore recently announced that our agency will increase the pace of our fuels reduction work from roughly 150,000 acres to 500,000 acres per year in the state. He intends for us to treat about 9 million acres over 20 years. Although considerable acreages will be treated with prescribed fire and managed wildfire, increases in mechanical thinning of forests is also expected. These thinning will make a great source of feedstock for wood-based energy.

One important decision that California must make about forest biomass is whether industries that use feedstock from federal forests will be eligible for benefits under the state's renewable energy programs. Some have advised that offering incentives for utilization of wood waste from our forests will stimulate overuse of the resource, leading to unsustainable supplies and environmental degradation.

We believe just opposite is true. We have concluded that incentives are needed to reverse the degrading conditions that are in place on many national forest lands today. We believe that, without incentives, biomass removal will remain an uneconomical enterprise for the private sector and that will constrain our ability to removal of forest waste as needed. It seems clear to us that there are two ways to increase the pace and scale of fuels reduction on the national forests. One way would

be to have the American taxpayer increase payments for this work.

This method will be difficult under the current budget challenges with the federal government. Fortunately, we have another option in California that could help offset taxpayer investments. That option would provide financial incentives for utilizing wood waste for the state's renewable energy program.

It's clear to me that all parties in the debate about biomass feedstock from federal lands are motivated by their interest in protecting the overall health and sustain ability of the land. Yet there is considerable disagreement about the conditions under which sustainable supplies of biomass might be removed. A core consideration will be protecting important environmental values such as clean water, wildlife habitats, and healthy forests.

An important chore for IFWG with Task 3 is to determine the conditions by which sustainable supplies of biomass feedstock could be removed from forests while providing protection for other important resources. We know the recipe for sustainable biomass production form federal forests has not been defined in statute or science. So our Task 3 must assess the adequacy of current and future programs.

The Forest Service believes that the aggregate of laws that guide our management clearly expresses the intent of Congress to have public forests managed for long-term environmental protection and sustainability. In a minute, Bruce Goines and others will give you a detailed explanation of the laws, polices, and regulations that guide or work. I think you will see that prudent managers can conclude that our programs lead to sustainable management.

Before we tell you about our procedures, I want to take a minute to tell you about the commitment of the Secretary of Agriculture and the Regional Forester to addressing the current conditions of our forests. Our Secretary of Agriculture and Regional Forester have taken the first steps to initiate our renewed emphasis on restoring the national forests. On August 14,2009, Secretary Vilsack laid out his vision for our work. More recently, Regional Forester Randy Moore produced his "leadership intent" document which refines the Secretary's strategy for the national forests in California.

Secretary Vilsack's Vision for the Nation's Forests

Last summer, Agriculture Secretary Vilsack gave several speeches across the nation that addressed a vision that will guide the policies and the approach of the USDA and the Forest Service. **In** his speeches, Secretary Vilsack:

- Emphasized the importance of public forests for providing clean water and a healthy environment for people.
- Acknowledged that increased restoration of public lands can contribute to the revitalization of rural communities.

In his commitment to forest restoration, Secretary Vilsack outlined several specific components of his vision including:

- Managing forests to protect water resources
- Making forests more resilient to climate change
- Creating nontraditional markets for climate mitigation and biomass energy
- Utilizing the forest planning process to integrate forest restoration ... while balancing the need for vibrant local economies

The Secretary's vision also anticipates a significant increase in the pace and scale of landscape stewardship activities - on both public and private lands. We are now working on this with our sister agencies in USDA.

Leadership Intent - Pacific Southwest Region

Our Regional Forester recently issued his "Leadership Intent" document is to communicate to our employees and stakeholders that we intend to implement the Secretary's vision by focusing on ecological restoration of our forests and rangelands. Some of the highlights of Randy's directive include:

- Establishing a regional policy to focus our work on ecological restoration. Ecological restoration will now become a central driver of our wildland and forest stewardship across all program areas and activities.
- Our goal is to retain and reestablish ecological resilience and sustainable management.
- We believe it may be appropriate for the beneficiaries of some ecosystem services to begin helping us invest in maintenance of those services.
- In the Pacific Southwest Region, Future Land and Resource Management Plans, other strategic plans, and project plans will identify ecological restoration as a core objective.
- Ecological restoration will include coordination and support for *all* wildlands and forests in Region 5 to promote an "all lands" ecological restoration vision as outlined by Secretary Vilsack.

So I hope you can see that the Forest Service is committed to environmental protection and restoration as a core theme for our work. We think that our forests are on an unsustainable trajectory now. So we are committed to increasing the pace and scale of forest and wildland restoration on both public and private lands in California. We think our work will lead to more healthy environmental conditions and insure carbon sequestration capacity from our forest. We also think our fuels reduction work can provide a sustainable supply of feedstock for a robust woody biomass industry. I urge the State of California to help us insure our effectiveness by making industries who utilize wood waste from federal lands eligible for the renewable energy benefits in the state.